

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF VIRGINIA  
(Richmond Division)

In re:	)	Chapter 11
	)	
CIRCUIT CITY STORES, INC., <u>et al.</u> ,	)	Case No. 08-35653-KRH
	)	
Debtors.	)	(Jointly Administered)
	)	

**JOINT OBJECTION BY LANDLORDS TO DEBTORS' MOTION  
FOR ORDERS PURSUANT TO 11 U.S.C. §§ 105, 363 AND 364 (I)(A)  
APPROVING PROCEDURES IN CONNECTION WITH SALE OF  
ALL OR SUBSTANTIALLY ALL OF THE BUSINESS OR  
ADDITIONAL POST-PETITION FINANCING FOR THE BUSINESS,  
(B) AUTHORIZING DEBTORS TO ENTER INTO STALKING HORSE  
OR FINANCING AGREEMENTS IN CONNECTION WITH GOING  
CONCERN TRANSACTIONS OR STALKING HORSE AGREEMENTS  
IN CONNECTION WITH STORE CLOSING AND MISCELLANEOUS  
ASSET SALES, (C) APPROVING THE PAYMENT OF TERMINATION  
FEES IN CONNECTION THEREWITH, AND (D) SETTING AUCTION  
AND HEARING DATES, (II) APPROVING SALE OF DEBTORS'  
ASSETS FREE AND CLEAR OF ALL INTERESTS AND  
(III) GRANTING RELATED RELIEF**

Cardinal Capital Partners, Inc., 680 S. Lemon Ave. Co., LLC, Benenson Capital  
Company, Fayetteville Developers, LLC, Westfield, LLC, The Balogh Companies, and  
Rossmoor Shops, LLC (collectively, the "Landlords"), by counsel, and for their objection  
to The Debtors' Motion for Orders Pursuant to Bankruptcy Code §§ 105, 363 and 364

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(I)(A) Approving Procedures In Connection With Sale Of All Or Substantially All Of The Business Or Additional Post-Petition Financing For The Business, (B) Authorizing Debtors To Enter Into Stalking Horse Or Financing Agreements In Connection With Going Concern Transactions Or Stalking Horse Agreements In Connection With Store Closing And Miscellaneous Asset Sales, (C) Approving The Payment Of Termination Fees In Connection Therewith, And (D) Setting Auction And Hearing Dates, (II) Approving Sale Of Debtors' Assets Free And Clear Of All Interests And (III) Granting Related Relief ("Motion") (Docket No. 1423), represent as follows:

1. On November 10, 2008 (the "Petition Date"), the above-captioned debtors (the "Debtors") filed voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code, as amended (the "Bankruptcy Code") with the United States Bankruptcy Court for the Eastern District of Virginia, Richmond Division (the "Bankruptcy Court").

2. The Landlords lease nonresidential real property to one of the Debtors under unexpired leases for premises located within "shopping centers" as that term is used in Bankruptcy Code § 365(b)(3).

3. In the Motion, the Debtors seek, *inter alia*, to sell their assets on undisclosed terms under an extraordinarily accelerated and abridged process. On January 9, 2009, the Court entered an Order approving the bidding procedures and requiring, among other things, the Debtors to post the Potential Purchaser Notice on the noticing agent's website.

4. As of the filing of this Objection, the auction has not concluded. Various landlords have filed objections to the Motion given the lack of notice regarding the relief sought to by the Debtors at the hearing tomorrow morning, January 16, 2009.

5. The Landlords join in the objections of the other landlords to the Motion.

**WHEREFORE**, the Landlords request that this Court enter an order sustaining this Objection, denying the Motion, and granting the Landlords such other and further relief as the Court deems appropriate.

Dated: January 15, 2009  
Richmond, Virginia

LeClairRyan, A Professional Corporation

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**CERTIFICATE OF SERVICE**

That on the 19<sup>th</sup> day of January 2009, I caused the foregoing to be (i) electronically filed with the Clerk of the Bankruptcy Court using the CM/ECF System, which causes notices of the electronic filing to be served all registered users of the CM/ECF System that have filed notices of appearance, and (ii) electronically mailed to all parties on the “Rule 2002 Service List” maintained on the website of the Debtors’ Court-approved noticing agent in accordance with the Order Pursuant to Bankruptcy Code Sections 102 and 105, Bankruptcy Rules 2002 and 9007, and Local Bankruptcy Rules 2002-1 and 9013-1 Establishing Certain Notice, Case Management, and Administrative Procedures.

/s/ Christopher L. Perkins

Christopher L. Perkins